

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

AN AN LIU, derivatively on behalf of
ARCIMOTO, INC.,

Plaintiff,

vs.

MARK D. FROHNMAYER, DOUGLAS M.
CAMPOLI, TERRY L. BECKER, NANCY E.
CALDERON, JEFF CURL, JESSE G. EISLER,
and JOSHUA SCHERER,

Defendants,

and

ARCIMOTO, INC.,

Nominal Defendant.

Case No.: 1:21-cv-03702

LESLIE CARRANZA, Derivatively On Behalf Of
ARCIMOTO INC.,

Plaintiff,

vs.

MARK D. FROHNMAYER, TERRY L.
BECKER, NANCY E. CALDERON, JOSHUA S.
SCHERER, JESSE G. EISLER, AND DOUGLAS
M. CAMPOLI,

-and-

Defendants,

-and-

ARCIMOTO INC.,

Nominal Defendant

Case No.: 1:21-cv-03888

**JOINT STIPULATION AND [PROPOSED] ORDER CONSOLIDATING RELATED
SHAREHOLDER DERIVATIVE ACTIONS AND
ESTABLISHING A LEADERSHIP STRUCTURE**

WHEREAS on June 30, 2021, Plaintiff An An Liu filed a shareholder derivative action on behalf of nominal defendant Arcimoto, Inc., (“Arcimoto, Inc.” or the “Company”) in this Court making claims for breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets against defendants Mark D. Frohnmayer, Douglas M. Campoli, Terry L. Becker, Nancy E. Calderon, Jeff Curl, Jesse G. Eisler, and Joshua Scherer, (collectively, the “Individual Defendants” and together with Arcimoto, Inc. the “Defendants”) and for violations of Section 14(a) of the Securities Exchange Act of 1934 (“Exchange Act”) and for contribution under Sections 10(b) and 21D of the Exchange Act against certain of the Individual Defendants, captioned *Liu v. Frohnmayer et al.*, Case No. 1:21-cv-03702 (the “*Liu* Action”);

WHEREAS on July 9, 2021, Plaintiff Leslie Carranza (together with Plaintiff An An Liu, “Plaintiffs”) (Plaintiffs and Defendants are collectively referred to herein as the “Parties”) filed a shareholder derivative action in this Court alleging substantially similar facts and making claims for breach of fiduciary duty and waste of corporate assets and for contribution under Sections 10(b) and 21D of the Exchange Act, naming as defendants all of the Individual Defendants except for Jeff Curl, captioned *Carranza v. Frohnmayer et al*, Case No. 1:21-cv-03888 (together with the *Liu* Action, the “Related Derivative Actions”);

WHEREAS under **Fed. R. Civ. P. 42(a)**, when actions involve “a common question of law or fact,” the Court may “(1) join for hearing or trial any or all matters at issue in the actions; (2) consolidate the actions; or (3) issue any other orders to avoid unnecessary cost or delay”;

WHEREAS the Related Derivative Actions challenge substantially the same alleged conduct by substantially the same Company directors and executive officers, and involve substantially the same questions of law and fact;

WHEREAS the Parties, therefore, respectfully submit that consolidation of the Related Derivative Actions is appropriate;

WHEREAS to avoid potentially duplicative actions and to prevent any waste of the Court's and the Parties' resources, the Parties agree that the Related Derivative Actions should be consolidated for all purposes, including pre-trial proceedings and any trial, into a single consolidated action;

WHEREAS in order to realize the efficiencies made possible by consolidation of the Related Derivative Actions, Plaintiffs agree that The Brown Law Firm, P.C. and Gainey McKenna & Egleston, the respective resumes of which are attached hereto as Exhibits A and B, shall be designated as Co-Lead Counsel representing plaintiffs in the consolidated action; and

WHEREAS, Defendants take no position on the appointment of Co-Lead Counsel;

WHEREFORE, the Parties, through their undersigned counsel, hereby agree, stipulate, and respectfully request that the Court enter an Order as follows:

1. Defendants accept service in both actions to the extent that service has not yet been perfected on any Defendant.
2. The following actions are hereby consolidated for all purposes, including pre-trial proceedings and any trial, under Case No. 1:21-cv-03702 (hereinafter, the "Consolidated Derivative Action"), pursuant to **Federal Rule of Civil Procedure 42(a)**:

<u>Case Name</u>	<u>Case Number</u>	<u>Date Filed</u>
<i>Liu v. Frohnmayer et al.</i> ,	1:21-cv-03702	June 30, 2021

Carranza v. Frohnmayer et al.,

1:21-cv-03888

July 9, 2021

3. Every pleading filed in the Consolidated Derivative Action, or in any separate action included herein, must bear the following caption:

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

IN RE ARCIMOTO, INC. DERIVATIVE
LITIGATION

Lead Case No. 1:21-cv-03702

4. All papers filed in connection with the Consolidated Derivative Action will be maintained in one file under Lead Case No. 1:21-cv-03702.

5. Co-Lead Counsel for plaintiffs for the conduct of the Consolidated Derivative Action shall be:

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GAINEY McKENNA & EGLESTON

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6. Co-Lead Counsel shall have the sole authority to speak for plaintiffs in all matters in the Consolidated Derivative Action regarding pre-trial procedure, trial, and settlement negotiations and shall make all work assignments in such manner as to facilitate the orderly and efficient prosecution of this litigation and to avoid duplicative or unproductive effort.

7. Co-Lead Counsel shall be responsible for coordinating all activities and appearances on behalf of plaintiffs in the Consolidated Derivative Action. No motion, request for discovery, or other pre-trial or trial proceedings will be initiated or filed by any plaintiffs in the Consolidated Derivative Action except through Co-Lead Counsel.

8. Defendants' counsel may rely upon all agreements made with Co-Lead Counsel, or other duly authorized representative of Co-Lead Counsel, and such agreements shall be binding on all plaintiffs in the Consolidated Derivative Action.

9. This Order shall apply to each derivative case arising out of the same, or substantially the same, transactions or events as alleged in the Consolidated Derivative Action, that is subsequently filed in, removed to, reassigned to, or transferred to this Court. When a derivative case that properly belongs as part of *In re Arcimoto, Inc. Derivative Litigation*, Lead Case No. 1:21-cv-03702, is hereafter filed in this Court, removed to this Court, reassigned to this Court, or transferred here from another court, this Court requests the assistance of counsel to the Parties in calling to the attention of the Clerk of the Court the filing, reassignment, or transfer of any derivative case that might properly be consolidated as part of *In re Arcimoto, Inc. Derivative Litigation*, Lead Case No. 1:21-cv-03702, and counsel to the Parties are to assist in assuring that counsel in any such subsequent case receive notice of this Order.

10. The Parties shall submit a proposed schedule to the Court within sixty (60) days of entry of this Order.

11. Defendants are not required to answer or otherwise respond to the respective complaints filed in the Related Derivative Actions or any complaint filed in the Consolidated Derivative Action until the deadline set forth in the Court's order on the Parties' proposed schedule.

12. This Stipulation is without prejudice to any and all defenses Defendants may assert in the Related Derivative Actions or in the Consolidated Derivative Action and without prejudice to any and all claims Plaintiffs may assert in the Related Derivative Actions or in the Consolidated Derivative Action.

Dated: July 28, 2021

THE BROWN LAW FIRM, P.C.

By: /s/ Timothy Brown
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[Proposed] Co-Lead Counsel for Plaintiffs

Dated: July 28, 2021

GAINEY McKENNA & EGGLESTON

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[Proposed] Co-Lead Counsel for Plaintiffs

Dated: July 28, 2021

PERKINS COIE

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Counsel for Defendants

IT IS SO ORDERED this 2nd day of August 2021.

s/ WFK

HON. WILLIAM F. KUNTZ, II
UNITED STATES DISTRICT JUDGE